FORM MR-AR (Revised 2/2001)

STATE OF UTAH DEPARTMENT OF NATURAL RESOURCES DIVISION OF OIL, GAS AND MINING

1594 West North Temple - Suite 1210 Box 145801 Salt Lake City, Utah 84114-5801

Telephone: (801) 538-5291 Fax: (801) 359-3940 JAN 2 1 2005 TW. OF CIL, GAS & MINING

ANNUAL REPORT OF MINING OPERATIONS

The informational requirements of this form are based on provisions of the Mined Land Reclamation Act, Title 40-8, Utah Code Annotated 1953, as amended, and the General Rules as promulgated under the Utah Minerals Regulatory Program. An operator conducting mining operations under a Notice of Intention must file an annual operations and progress report (FORM MR-AR) with the Division.

| I. | Gener | al Information |
|-----|--------|---|
| | 1. | Report Time Period: From (mo./yr.) 1-1-04 To (mo./yr.) 12-31-04 |
| | 2. | DOGM File Number (Mine No): MCT/043/004 |
| | 3. | Mine Name: Utelite Mine |
| | 4. | Mineral(s) Mined (or permitted to mine): Manchos Shale |
| | 5. | Type of mine: ☐ Surface Mine or ☐ Underground Mine |
| | 6. | Legal Description (Location of Lands Affected): Nt Nt 58 TISRFE |
| | | <u>sw</u> 1/4, <u>sw</u> 1/4, <u>sw</u> 1/4, Section <u>4</u> , Township <u>15</u> , Range <u>5</u> |
| | | 5 1/2, 5E 1/4,1/4, Section 5, Township 15, Range 5E |
| | | <u>NW</u> 1/4, <u>NW</u> 1/4, <u>NW</u> 1/4, Section <u>9</u> , Township <u>15</u> , Range <u>5E</u> |
| | 7. | Name of Operator or Company: Utelite Corp |
| | 8. | Permanent Street Address: 6375W 3 mile Campon Rel |
| | | City, State, Zip: Coalville Ut 84017 |
| | | Phone: <u>801-467-2800</u> Fax: <u>801-359-8541</u> |
| | 9. | Company Representative (or designated operator): |
| | | Name: Carsten Mortensen |
| | | Title: Gen. Mgr. |
| | | Business Address: POBox 787 |
| | | City, State, Zip: Coalville Ut 84017 |
| | | Phone: 80/-7500 Fax: 80/-359-854/ Please check if any of the above information has changed since previous year |
| | | Please check if any of the above information has changed since previous year. |
| II. | Mining | and Reclamation |
| | 1. | Was there any mine related activity during the past year? Yes ☑ No ☐ |
| | 2. | If no - what was the last year of activity? |
| | 3. | If yes - how much ore or mineral was mined? |

| 4. | additional surface disturbances that occurred during the past year. Most Mining was in the 5 \(\frac{1}{2} \) \(\frac |
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| | and N± N+ See 8 TIS R5E. The NE 19 NE See 8 TIS R5E is the area thousand apened up the year. |
| | - 17 11 1 - 15 now area was was opened up the year. |
| 5. | How much additional acreage was disturbed during the past year? 6.44 |
| 6. | How much acreage was reclaimed during the past year? 8.47 |
| 7. | Briefly describe the reclamation work performed during the past year. This description should include methods employed, and an evaluation of the results. Not mixing principle permitted area for |
| 8. | What is the total disturbed acreage of entire project at years end? 5 |
| 9. | Briefly summarize any mining and/or reclamation plans for the upcoming year. Willopen G. YYastes on the WHITEHO NWWW Self and SESE See Y TIS RSE |
| NOTE: Secti | on III., "Additional Information" applies only to <u>large mining operations</u> . |
| III. <u>Additiona</u> | al Information - R647-4-121.2 and .3 |
| 1. | The operator shall include an updated map depicting surface disturbance and reclamation performed during the year, prepared in accordance with Rule R647-4-105. |
| 2. | The operator shall keep and maintain timely records relating to his performance under the Act, and shall make these records available to the Division upon request. |
| IV. <u>Signature</u> | Requirement |
| I her | eby certify that the foregoing is true and correct. |
| | Name (Typed or Print): Carsten N. Mortensen |
| | Title of Operator: Con. Mgr. |
| | Signature of Operator: |
| | Date: 1-20-05 |
| jb | |

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